NAHB® National Association of Home Builders	Inflation Reduction Act (IRA) Consumer Rebates	
	Home Energy Rebate Programs	
	Home Efficiency Rebates (HER)	Home Electrification and Appliance Rebates (HEAR)
Funding available	\$4.3 billion	\$4.5 billion
Summary	<ul> <li>Consumer rebates (including some at point of sale) that discount the price of energy-saving retrofits in single-family and multi-family buildings</li> <li>States must apply for their allotment of formula funding and submit program plans to DOE for review and approval before distributing rebates through state energy offices</li> <li>Full program details will be determined by each state as program proposals are approved in 2025 and beyond</li> </ul>	<ul> <li>Consumer rebates (including some at point of sale) for high-efficiency electric home upgrades</li> <li>States must apply for their allotment of formula funding and submit program plans to DOE for review and approval before distributing rebates through state energy offices</li> <li>Full program details will be determined by each state as program proposals are approved through 2024 into 2025</li> </ul>
	DOE Map of State Ho	me Energy Rebate Programs
State rebate program status	As of 11/25/2024 (see link above for most up-to-date figures):  • 51 states and territories have applied to DOE for early administrative or full program funding.  • 29 states and territories have applied to DOE for full funding  • 11 states and territories have made rebates available to consumers  • 8 states and territories have had program applications approved by DOE  • 13 states and territories have submitted applications to DOE	
Eligible buildings	<ul> <li>Only retrofits of existing homes (single-family and multifamily)</li> <li>Details will depend on each state, which could choose</li> </ul>	Only retrofits of existing homes (single-family and multifamily)
Eligible beneficiary	<ul> <li>Homeowners</li> <li>Landlords</li> <li>Owners and multifamily unit residents of all income levels can qualify</li> <li>Higher rebate amounts are provided for low-income households earning less than 80% of Area Median Income (AMI)</li> </ul>	<ul> <li>Only low- and moderate-income households based on Area Median Income (AMI) are eligible, including:         <ul> <li>Homeowners</li> <li>Individuals or entities that own multifamily buildings where at least 50% of residents are low- and moderate-income households</li> <li>Governmental entities or nonprofits carrying out qualifying projects</li> </ul> </li> <li>Income thresholds based on Area Median Income (AMI):         <ul> <li>Low-income: Less than 80% of AMI</li> <li>Moderate-income: 80-150% of AMI</li> </ul> </li> <li>Renters do not qualify, but landlords do qualify</li> </ul>
Qualifying expenses	Details of each program will be determined by each state. Rebate levels will be performance-based, either through modeled energy savings prior to the retrofit or by measured savings achieved after the retrofit	<ul> <li>Qualifying expenses listed below (up to maximum individual upgrade caps) up to \$14,000 overall limit</li> <li>Low-income households: Up to 100% of qualifying project costs (subject to individual upgrade caps, and up to the \$14,000 overall limit)</li> <li>Moderate-income households: Up to 50% of qualifying project costs covered by rebates (subject to same caps)</li> </ul>
Amount	<ul> <li>\$8,000 overall limit</li> <li>Exact rebate amounts for modeled and measured savings may vary widely state to state</li> </ul>	Maximum individual upgrade rebates (subject to \$14,000 overall limit:  • Electric panel: \$4,000  • Electric cooking products: \$840  • Electric wiring: \$2,500  • Heat pump water heater: \$1,750  • Heat pump A/C or heater: \$8,000  • Heat pump clothes dryer: \$840  • Weatherization: \$1,600 (includes insulation, air sealing, ventilation)
Stacking (eligible programs to combine with)	These rebates may not be combined with any other federal grant or rebate  O(20/2024)	These rebates may not be combined with any other federal grant or rebate for the same qualified electrification upgrade
Incentive funded through Legislation section	9/30/2031 IRA Sec. 50121	9/30/2031 IRA Sec. 50122  Last undated: November 2024

DISCLAIMER: This resource has been developed for informatonal purposes only. NAHB does not provide financial, accounting, or legal advice for the purposes of claiming or applying for federal, state, or local consumer rebates or other incentives. Eligible individuals and business entities should consult their own professional financial, accounting, or legal advisors before engaging in any transaction.

 $\underline{https://www.nahb.org/advocacy/industry-issues/inflation-reduction-act}$ 

For more, visit:

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